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THE COAL MINER

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THE COAL MINER

A STUDY OF HIS STRUGGLE TO SECURE
REGULATED WAGES
IN THE
HOCKING VALLEY

BY

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PREFACE

Our prosperity rests upon our coal resources. We are so dependent upon coal for our industrial welfare that it has been called the mainspring of civilization. Industrial disturbance in the coal fields brings disturbance and suffering to those engaged in every industry and profession.

But the dependence is reciprocal. The miner suffers from every disturbance, whether it arises within the coal field or travels to it from without. Every wave of depression that crosses the country knocks at the door of the miner's cottage, and long shutdowns bring hunger and hardship.

Bad conditions occurring in mining communities as a result of the trend of business, as well as those which arise rather from the miner's peculiar situation, have frequently been investigated. They have given occasion for the acts of many legislatures seeking to secure better conditions.

Whatever is done to ameliorate the hard conditions found in many mining communities is not misplaced charity. Much has already been done; but much more remains to do. The Young Men's Christian Association extends a helping hand, and many evil conditions have been removed by wise laws. But the results of unemployment and industrial accidents are still frightful. Patience and time will be necessary to raise the miner to a standard of living such as can exist only under regular employment and proper environment.

This study of a well known coal field shows what has been done to improve the situation by means of organized efforts to secure just wages; and describes some conditions which may yet be improved.

The writer is indebted to Professor Emory R. Johnson, of the University of Pennsylvania, and to Professor M. B. Hammond, of the Ohio State University, for suggestions and criticisms which they have given him.

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THE PRE-ORGANIZATION
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PART ONE.

THE PRE-ORGANIZATION PERIOD.

The Hocking Valley coal field lies in southeastern Ohio. It occupies the basin of the Hocking River. Here the first white travelers and settlers noticed traces of beds of coal, even before they had any use for it. We are told that it was sometimes burned as a curiosity when wood was still abundant. It was employed locally for blacksmithing and domestic purposes, but it did not form an article of commerce.

However, with the rapid growth of railroads, the building of cities, and the disappearance of the forests there arose a considerable demand for coal in the United States about the middle of the last century.

Ohio encouraged coal mining by using some of her money to build canals which ran

from the coal fields to many of the large cities in the State. One of these canals was the Hocking, a branch of the Ohio canal, the latter running across the State from Cleveland on the lake to Portsmouth on the Ohio River. This canal gave an outlet to the coal resources of the Hocking Valley which soon became the most famous coal field in the State.

Strikes and other disturbances were infrequent during the first decades of coal mining in Ohio. It was not until 1871 that the Legislature passed a resolution authorizing and directing the governor to appoint a commission to investigate ventilation of mines, etc., and also the causes of strikes among the miners. This commission found that the strikes were attributed to a number of causes, among which were unfairness in weighing and measuring coal, unequal payment, and dismissals of men. The miners generally held that any change in wages contemplated by either the

miners or the operators should be made known a certain length of time before the date of the change. A sliding scale of wages to rise and fall with the rise and fall of the market price of coal was suggested. The commission attributed the strikes largely to the misconceptions of the miners, of whom many were immigrants who had been misled into believing that the wealth enjoyed by the operators was unjustifiable. It did not find insufficient pay a cause of strikes, and the miners made no complaint about their wages. Education and a desire to save money were recommended to the miners by the commission.

It is doubtful whether this commission secured a knowledge of the real conditions surrounding the miners. Even though the presence of foreigners in the State made possible the spread of evil doctrines, the Hocking Valley, which furnished the largest number of strikes, possessed proportionally the smallest

number of immigrants of any of the coal fields of the State. Mere sentiment is insufficient to sustain a series of strikes. In 1881, when reliable statistics were first gathered, ten strikes were reported. One of these was caused by unfair weighing, four by a reduction in wages, four were for an increase in wages, and one resulted from the discharge of a superintendent. In 1882 fourteen strikes were reported, of which all but one were directly concerned with wages. Later years show similar records. By far the greater number of the strikes were caused by disagreements concerning wages. The strikes launched in the fall were for an increase in wages; those begun in the springtime were to prevent a reduction in wages.

In 1884 the Hocking Valley experienced a strike of great magnitude. Hitherto the most costly strike in the State had resulted in a combined loss to employers and workmen of but little more than fifty thousand dollars.

The strike of 1884 occasioned a loss of about two million dollars.

The causes of the strike were at least five in number. Most fundamental was the inequality of physical conditions in different parts of the field. The northern part of the valley possessed a seam of coal ten feet thick. Farther south the seam was only six feet thick. Less work was required to mine a ton of coal in the thick seam, and in justice to the miners a higher rate per ton should have been paid those working the thin seam. The operators asked for a variation in this respect, but their suggestion was met with disapproval by the miners of the thick seam, who, strange to say, were supported by the thin seam miners.

The second cause of the strike was the unequal distribution of labor arising from the condition mentioned above. The mines of the thick seam were overcrowded, because money was more easily made there. The companies were reluctant to discharge the

superfluous men because their custom at the company store would be lost. A prominent operator said that there were twice as many men in the field as were needed for some time preceding the strike.

Thirdly, the mines were being monopolized, and the process brought with it dissatisfaction and discontent. In 1883 many of the mines were consolidated by two companies—the Ohio Coal Exchange, and the Columbus and Hocking Valley Coal and Iron Company. Working in unison, these two companies were acquiring a power that would enable them to fix the rate of wages, within certain limits.

Perhaps the direct cause of the strike was low wages. Statements taken from the pay envelopes of miners who worked at one mine during the five months preceding the strike indicate that their average monthly wage was but slightly over twenty-two dollars. At one of the mines of the Ohio Coal Exchange the

wages of one miner for the months of March, April, May, and June was \$27.53, \$18.55, \$19.95, and \$12.83 respectively. At one of the mines of the Columbus and Hocking Valley Coal and Iron Company the average monthly earning per man from January to June was \$17.84. A fair standard of living could not be sustained on such wages.

Lastly, outside competition and the decline of the iron industry were disturbing factors. The Pittsburg coal field of Pennsylvania was gradually winning over the trade which had hitherto favored the Hocking Valley. If the coal companies could secure a reduction in the price of mining from seventy to sixty cents per ton, some assurance was felt that this competitor could be defeated. It was determined to take this action, which meant a heavy loss to the miners.

The iron industry of the valley was at this time meeting with disastrous competition. Before the opening of richer deposits of iron

ore in other parts of the country it was found profitable to smelt the ores of the coal measures. Many smelting furnaces had been constructed in the immediate vicinity of the mines. The first blast furnace in Ohio was constructed in 1808. This and others built in the early part of the century burned charcoal. As the State filled with settlers timber became scarce, and coal was substituted for charcoal in the furnaces. The iron industry of the Hocking Valley dates from 1851. The furnaces used the native ores of the coal measures and burned coal from the nearby mines. From three to three and one-half tons of coal were used to produce a ton of pig iron. In 1880 the production of iron amounted to 116,000 tons, and about 400,000 tons of coal were necessary to produce this. The iron industry had been an important factor in the development of the coal field.

A halt came in the prosperity of the ^{iron}~~coal~~ industry contemporaneously with the slack in

the coal market. The rich ores of northern Alabama were being smelted and the poorer ores of Ohio found it impossible to compete with them. Alabama ore found a market as far north as Pennsylvania and Michigan. A reduction of the rate of mining coal to fifty cents, it was thought, would place Ohio furnaces on a par with those of Alabama by supplying them with cheaper fuel. The great superiority of the Alabama ores was not fully realized. But it was not long before the Alabama smelters were making long time contracts at a rate below that which the Ohio smelters could quote.

The difficulty of securing a market for commercial coal was almost as great as that of finding a market for iron. Ohio coal naturally sought a western market, and had managed to keep up a fair competition with Indiana and Illinois in the Chicago market. But the Pittsburg and anthracite fields of Pennsylvania were now sending a part of

their output to this market, obtaining very low rates on trains returning to Chicago for grain, and on westbound lake steamers.

Various remedies were proposed. The introduction of machinery and a sliding scale of wages were advocated. What was really needed was a readjustment which would afford a different outlet for the coal that had been used in smelting, and an agreement with other fields as to the wages which each might pay in order to prevent injustice to some and advantage to others.

In June, 1884, matters had become critical. A meeting of miners representing several mines had been held in May to secure an agreement regarding the driving of entries at one of the mines. The employing company offered a certain price for the work, but the miners refused to accept it and work was discontinued. June 23rd notices were posted stating that the rate of mining would be reduced from seventy to sixty cents per ton,

and that the price of other labor would be lowered in proportion. Soon all of the mines in the western part of the valley were idle. In the eastern sections the old rate still prevailed and mining continued.

An effort was made by the operators to prevent a strike, but the miners refused to accept a reduction in wages. Should a reduction be made in their wages a similar reduction would follow in other districts, they said. Then would come another reduction in their own wages. The coal companies said they were unable to pay the high rates both for mining and shipping, and that they had already requested the railroads to give them a reduction of twenty cents per ton on coal shipped to Columbus. They preferred a long period of idleness, rather than work at a loss. July fifth a notice was posted stating that as the offer of sixty cents had been rejected, it was now withdrawn.

Henceforth the companies adopted a rigid

policy in dealing with the miners. They must now sign the famous iron clad contract to secure work. The miner who signed this contract agreed to work for one year at a specified rate of wages, and to observe such rules and regulations as the employers might care to make. Steady employment was guaranteed, excepting such interruptions as might unavoidably occur. Payments were to be made on the 15th of each month for work done during the last month previous to such pay-day. The employe further agreed not to join any strike or combination to secure an advance in wages, nor to aid or countenance such a strike or combination in any way. Should he violate the contract he forfeited all claim to wages earned but not yet paid. A rate of fifty cents per ^{ton}~~day~~ was offered to those caring to work under this contract.

State militia and detectives were imported and the coal field resembled somewhat a military camp. The miners were severely pressed

by hunger as winter approached. Furnaces which had been doing an annual business worth \$2,000,000 stood idle. The outlook for a resumption of activity in smelting was unfavorable. At the last blast it had cost about nineteen dollars to produce one ton of pig iron. The product had been sold for from fifteen to twenty-one dollars per ton, according to its quality. Less than one-third of the output was of the twenty-one dollar quality, but upon this some profit was realized. A loss was incurred on the remaining two-thirds. The grade of iron which the Hocking Valley smelters put on the market at nineteen and twenty dollars per ton could be purchased in Alabama at the rate of seventeen and eighteen dollars per ton, less than the cost of production in the Hocking Valley.

In January, 1885, some of the miners returned to work, and the mines materially increased their output. They accepted the reduced rate of wages. They had struck be-

cause the rate was reduced from seventy to sixty cents per ton. They now accepted the still lower rate of fifty cents. The State miners' association recommended this to them because of the widespread business depression. About the middle of March a general agreement was reached and the strike, after continuing nine months came to an end. Nevertheless the miners remained dissatisfied, but a peaceful settlement was made to which we shall refer in the next chapter.

In summarizing we may say that this strike marks the turning point in the history of the coal industry of Ohio as well as of the Hocking Valley. The iron furnaces were abandoned and soon fell into ruin. A new market was found for the coal which they had consumed. The losses incurred showed the necessity of a less destructive mode of settlement. It made labor organizations reluctant to strike, and it induced capitalists to look with favor upon arbitration. It also showed

the need of an organization of wider dimensions than any state—one which could control the competing fields.

The year 1884 roughly marks the end of the old era of competition among coal districts and the beginning of the new era of labor affiliation.

THE PERIOD
OF
ORGANIZATION.

PART TWO.

THE PERIOD OF ORGANIZATION.

Some use had been made of arbitration methods in Ohio before 1884. In 1879, when the iron trade was prospering and coal was advancing in price, the miners of the Hocking Valley demanded an advance in wages, which was refused. Committees of miners and operators met and established a scale of wages which were to rise and fall with the rise and fall of the market price of coal. Permanent committees were formed to discuss and adjust controversies.

In 1885 the State legislature legalized arbitration tribunals. The courts of common pleas were given power, upon being petitioned, to issue licenses establishing a tribunal in

each county for the voluntary settlement of disputes between employers and workmen in the various industries. The signatures of not less than forty employes and of four or more employers each employing at least ten workmen, or of the representatives of a company employing not less than forty men were required in the petition. A tribunal thus formed was to exist one year, and consist of at least two employers or their representatives, and two workmen. These were to select a chairman and secretary by a majority vote. The members of the tribunal were to receive no compensation. A practical application of the law was never made, but it indicates a growing interest in peaceful settlements of industrial disputes.

In October, 1885, the miners of the Hocking and Ohio Central districts asked for an increase of ten cents in the rate of mining, which was refused. In November a convention of the miners of the State was held, and

the demand which had been sectional spread over the State. Another strike was feared. The miners' executive committee suggested that the difficulty be submitted to an arbitration board representative of both miners and operators. The operators accepted, the board was organized, investigations were made, and near the end of December the board came to a deadlock. The miners proposed and the operators accepted Allen G. Thurman as an umpire. Both parties addressed letters of evidence to him, stating their views.

Three coal fields, said the miners, were competing with the Hocking Valley—those of Indiana, western Pennsylvania, and northern Illinois. Pittsburg coal ranked first, Hocking second, Indiana third, and Illinois fourth in the Chicago market. The controversy of the board had centered around the Chicago market. But the miners claimed that this was not the most direct market for the Hocking coal. Three separate trades existed—lake, manu-

facturing and domestic. Because of the extensive market for Hocking coal on the lakes, not Chicago prices alone ought to be considered, but the prices at those places where the coal of the respective districts found its *principal* market. The Pittsburg coal went to Cleveland, the Hocking to Toledo, and the Indiana and Illinois to Chicago.

The miners attempted to prove that the cost of putting coal on cars was less in the Hocking Valley than in the other districts, and that it cost less to ship it to the lake. According to their statement the cost of Hocking coal at Toledo was twenty-nine cents below the average cost of the other coals in their principal markets. Furthermore, after the demand had been made for the sixty cent rate the operators had advanced the market price of coal twenty-five cents per ton, and the advanced rates were being paid in some parts of the State.

The operators contended that wages were

in reality higher in the Hocking Valley than elsewhere, since, owing to the greater thickness of the Hocking seam, the miner could turn out more coal and should therefore receive less per ton; also that the Hocking miner was paid for a larger proportion of the coal mined because the screens had finer meshes.

The two leading representatives of the miners and operators wrote Mr. Thurman, giving him a brief history of the controversy, and asking his decision in the matter.

In reply Mr. Thurman said that although he did not think the testimony on some points complete, he understood it his duty to decide upon such evidence as had been given. Considering the testimony, and the manner in which the coal trade had been carried on, he thought that it had been a profitable one. Why should it be carried on at all if it had been so disastrous financially? He felt that the natural market of the two districts would be retained, even if the price of mining were

advanced to sixty cents, and that such an advance would still leave the operators reasonable profits. So his decision favored the miners.

Interest in arbitration increased. In 1886 a dispute arose in another coal field in the State, the miners complaining that the decision granting the ten cent advance in the Hocking Valley placed them at a disadvantage. After some disagreement an umpire was chosen, who likewise decided upon a ten cent increase.

An attempt to form a union of miners in this country was made as early as 1861, when the American Miners' Association was formed at St. Louis. Its object was mutual protection, improvement and education. After enjoying a rapid growth in Missouri, Illinois, Ohio and Maryland, it came to an end with the fall in prices at the close of the Civil War. Next the Miners' and Laborers' Benevolent Association was organized, and by 1870 had

grown to be of considerable importance. In 1873 its name was changed to The Miners' National Association. The panic of 1873 destroyed the organization. The miners' branch of the Knights of Labor, known as Trades Assembly No. 135, was founded in 1870, but did not become influential until after 1879.

In 1885 an organization was formed at Indianapolis which had for its avowed purpose the adjustment of market and mining prices so as to prevent strikes and lockouts, and to secure increased profits to both employers and laborers from the sale of coal. An executive board was created to devise means of preventing strikes. It began its work by calling a conference to meet in Chicago. At this meeting Ohio, Pennsylvania, Indiana and Illinois were represented. It was the first joint meeting of miners and operators, but owing to the small attendance nothing was accomplished. Another joint convention was called to meet at Pittsburg in December. A

scale of wages for each state was discussed, and each state was asked to hold joint meetings to consider it or frame one suitable to its own wants.

In February, 1886, miners and operators from Ohio, Indiana, Illinois, Pennsylvania, and West Virginia met at Columbus. A scale of wages was fixed for each state to last for a period of one year. An annual convention was provided for as well as local arbitration boards for each state; and a national board was organized to settle disputes upon which the state boards could not agree. The great problem before the association was to control competition among the various districts. To accomplish this it was necessary to consider natural advantages, nearness to market, transportation expenses, quality of coal, cost of labor, and any other circumstances that might affect the price of coal, and to establish regulations making the market price of coal nearly equal for all districts.

The movement met with but partial success. Only those districts having a market on the Great Lakes took part, and these could not agree. First the Illinois operators withdrew; then those of Indiana, and the organization fell to pieces.

In 1889 a secret organization was formed, but its membership was small and in 1890 it affiliated with National Trades Assembly No. 135, of the Knights of Labor. The new organization began with a membership of twenty thousand, located mostly in Pennsylvania, Ohio, Indiana, and Illinois, under the name of the United Mine Workers of America.

It is unnecessary to give a full description of this organization here, but a brief history of its growth and an account of its general structure will be necessary to show how the Hocking Valley has been influenced by it, and how it belongs to the great national league of workers.

The preamble of the new union stated its objects as follows:

“First—To secure an earning fully compatible with the dangers of our calling and the labor performed.

“Second—To establish as speedily as possible and forever, our right to receive pay for labor performed, in lawful money, and to rid ourselves of the iniquitous system of spending our money wherever our employers see fit to designate.

“Third—To secure the introduction of any and all well-defined and established appliances for the preservation of life, health and limb of all mine employes.

“Fourth—To reduce to the lowest possible minimum the awful catastrophes which have been sweeping our fellow-craftsmen to untimely graves by the thousands; by securing legislation looking to the most perfect system of ventilation, drainage, etc.

“Fifth—To enforce existing laws; and where none exist, enact and enforce them; calling for a plentiful supply of suitable timber for supporting the roof, pillars, etc., and to have all working places rendered as free from water and impure air and poisonous gases as possible.

“Sixth—To uncompromisingly demand that eight hours shall constitute a day’s work, and that not more than eight hours shall be worked in one day by any mine worker. The very nature of our employment, shut out from the sunlight and pure air, working by the aid of artificial light (in no instance to exceed one candle power), would, in itself, strongly indicate that, of all men, a coal miner has the most righteous claim to an eight-hour day.

“Seventh—To provide for the education of our children by lawfully prohibiting their employment until having attained a reasonably satisfactory education, and in every case until they have attained fourteen years of age.

“Eighth—To abrogate all laws which enable coal operators to cheat the miners, and to substitute laws which enable the miner, under the protection and majesty of the State, to have his coal properly weighed or measured, as the case may be.

“Ninth—To secure, by legislation, weekly payments in lawful money.

“Tenth—To render it impossible, by legislative enactment in every State for coal operators or corporations to employ Pinkerton detectives or guards, or other forces (except the ordinary forces of the State) to take armed possession of the mines in case of strikes or lockouts.

“Eleventh—To use all honorable means to maintain peace between ourselves and our employers; adjusting all differences, so far as possible, by arbitration and conciliation, that strikes may become unnecessary.

“Twelfth—And to use all honorable means to elect members of our organization to legis-

late and enforce laws in State and national legislative assemblies that will bear equally upon all citizens of the United States, its territories and other dominions."

The United Mine Workers' union lived a precarious life during its first few years. It attempted a strike in 1893 and failed to secure its object. It at first failed to secure an eight-hour day. But in 1896, with the revival of other industries after the long period of depression, its prospects brightened. In 1897 it carried on a successful general strike, securing an average advance of about twenty per cent. in wages. Henceforth the union grew steadily, and today its membership numbers more than 300,000.

The officers of the union are the President, Vice President, Secretary-Treasurer, and an Executive Board made up of one member from each district over which the jurisdiction of the union extends. The President, Vice

President, and Secretary-Treasurer are *ex officio* members of the Executive Board.

The duties and powers of the President are many and extensive. He presides at conventions of the union and at meetings of the Executive Board. He signs all bills and official documents. He has the power to appoint and to remove the officers of the union. He orders the compilation of useful statistics, and advises his constituency of needed changes previous to the conventions. He is at liberty to visit all local unions in person or by proxy. He devotes his time and attention to the affairs of the union and decides all disputed questions concerning the meaning of the constitution, and has general supervision over its workings in field and office "as his judgment dictates or the exigencies of the case may require."

The Vice President acts as general organizer, and succeeds the President in case of the latter's death, resignation or removal.

The Secretary-Treasurer takes care of the books and documents of the organization.

The Executive Board constitutes an International Board of Conciliation and Arbitration. It executes the orders of the union conventions, and between conventions it has full power to manage the ordinary workings of the union and to collect necessary assessments. It also has power to control strikes. "The International Board," says the Constitution, "shall have power to order a general strike or suspension by a two-thirds vote at any time during the year that they deem necessary, and each member shall have one vote, and one additional vote for every two thousand members in good standing they represent, or a majority fraction thereof; provided, that all District Presidents, Vice Presidents and Secretaries be called into joint conference for consideration before any general strike or suspension order be issued."

To facilitate the working of the organiza-

tion it is subdivided into districts, sub-districts and locals, just as our country is divided into states, counties and townships. For convenience the districts are usually made co-extensive with the states. District No. 6 is limited by the boundary lines of the State of Ohio. For their own government districts may adopt such laws as do not conflict with the laws of the International Union.

Each district is further subdivided into sub-districts with such numbers and territory as may be determined by the district to which they belong. The sub-districts make their own regulations, which must be in harmony with those of district and union. District No. 6 is composed of six sub-districts which are designated by their numbers. The most important work of the sub-district organization is to represent the interests of its members in the national convention, and to bring such influence as will secure just wages and regulations. One of the important problems which

confronted the organization was, how can the wages paid the Hocking Valley miner and those paid in other districts be so adjusted that competition will not be injurious to any of the districts? Again, how was the size of the screens to be regulated so that none of the districts would be favored? These problems confronted the joint interstate conference which met at Chicago, in 1898. This convention represented the so-called thin vein district of Illinois, Indiana, Ohio, and western Pennsylvania. Two important agreements were made.

First, that an equal price for mining screened lump coal should thereafter form a base scale in all of the districts named (Illinois, Indiana, Ohio, and western Pennsylvania), excepting that the State of Illinois and the block coal district of Indiana should pay ten cents per ton more than the Hocking Valley, western Pennsylvania, and the Indiana bituminous districts; also that the price of pick

run of mine coal in the Hocking Valley and western Pennsylvania should be determined by the actual percentage passed through such screen as should be provided.

Secondly, that the screen adopted for Ohio, western Pennsylvania, and the bituminous district of Indiana should be of uniform size, six feet wide, twelve feet long, and constructed of bars not less than five-eighths of an inch wide, with a space of one and one-fourth inches between the bars, free from obstructions, and resting upon a sufficient number of bearings to hold them in proper position.

These agreements went far towards the solution of the situation which had troubled the Hocking Valley and other districts. Screens of various kinds and sizes had been used. Unequal competition had been influential in bringing on the strike of 1884. These inequalities were now removed. The agreement further fixed a base from which prices for mining in the different districts could be

reckoned, having first taken into account thickness of seam, distance from market, quality of coal, etc. To further simplify matters a uniform working day was desirable. At the time of the Chicago convention this varied from nine to ten hours in the different fields. On April 1, 1898, the universal eight-hour day went into effect. Uniform wages were fixed for day labor.

These simplifications made it possible to apply proper differentials in the payment of wages. Without material change they have been re-adopted by successive conventions.

The agreements of the sub-districts and locals contain minute regulations concerning free turns, docking, size of mining rooms, and various circumstances and conditions which exist about the mines, and which if not regulated would cause endless difficulty. Benefit funds are provided by the locals upon the death or illness of a miner or one of his family. The amount contributed is a voluntary

matter. But when death occurs not only is the local expected to contribute, but the coal company whose employes constitute the local also contributes a specified sum, ranging usually from five to twenty-five dollars accordingly as the deceased is a child, a wife, or a miner.

Nevertheless trouble sometimes arises between the members of a local and their employes. The international constitution requires that the local officers first try to secure an adjustment. If they fail, they notify the district officers, who investigate the cause of complaint. If the district officers are unable to effect an agreement, they may, with the approval of the International President, order a strike. But if he disapproves, the final resort is an appeal to the International Executive Board. A strike can be declared in but one other way—by order of the International Convention. Since the ultimate responsibility rests with the international organization,

time is allowed for consideration, and the power to decide lies in the hands of men reluctant to cause injury by careless action.

Not all disputes can be peacefully settled. But the questions that arise are carefully considered, and strikes are not often begun.

THE
TRUCK SYSTEM
OF
PAYMENT.

PART THREE.

THE TRUCK SYSTEM OF PAYMENT.

The amount of wages and the method of their payment present two distinct problems. The latter may be so unfavorable that a lower wage paid properly would be better. In the Hocking Valley, as well as in other places and in various industries a system of wage payment has grown up familiarly known as the truck system. Mining companies, in addition to their regular undertaking, sometimes attempt to supply their employes with such provisions as they would ordinarily buy at cash stores. Perhaps the motive for the establishment of company stores has been in many instances humanitarian, since ordinary retail stores were not always in existence where a

little group of miners might choose to make their homes. What the motive may have been in each instance it is now impossible to tell. Our chief interest is in learning what have been the results.

The coal miner is not noted for his frugality. He is not inclined to be selfish with his money, and oftentimes he finds himself compelled to ask for credit at a cash store, or else fall back on his employer and secure some kind of an advance payment. This he does by the instrumentality of the truck system. He obtains advance payment not in currency but in merchandise. The company furnishes him with checks, or scrip, which he presents at the company store or at some store with which the company has an agreement. On pay-day whatever remains due to the miner over and above what he has secured in merchandise is paid in cash.

This method of paying wages has not been confined to recent years. In England, as early

as 1464, a law required cloth manufacturers to pay carders, spinsters and other laborers in legal money, thus attempting to abolish payment in truck. In the time of the Chartist uprisings, Reybaud tells us in his *Étude sur les Réformateurs ou Socialistes Modernes*, some manufacturers succeeded in securing an actual reduction in wages by means of this method of payment. Such economists as Francis A. Walker have shown the disadvantageous position in which the wage earner is placed when required in one way or another to accept goods for pay in place of money.

In 1875 the state mine inspector of Ohio called the attention of the General Assembly to the increasing use of this payment in kind. Times were then dull, and the payment in scrip placed the laborer in what the inspector called a condition of semi-feudalism. Some years later the State Bureau of Labor Statistics undertook an investigation of the matter. It found that wages were usually paid

on the fifteenth of the month for work done during the preceding calendar month. In a few instances payment was delayed a week or two longer, depriving the miner of money earned for as much as one month. Not only was the employer who paid promptly placed at a disadvantage, but, according to an estimate of the Bureau, this retention of wages amounted to a reduction of ten per cent. in the value of the wages had they been paid when due. Not only was it a loan of the wages to the employer for a month or less, but it compelled the miners to purchase on credit and thus lose the favors which cash always secures. The credit buyer was not given the choice among different stores, as was the cash buyer. This led directly to an investigation of the company stores, of which, as we have already noticed, there were two kinds—those owned by the company or firm issuing the checks, and those owned by out-

siders and upon which the company issued checks to its employees.

Various complaints were made to the Bureau concerning the methods employed in these stores. One said that trouble would continue as long as they existed. Another that they kept an insufficient supply of merchandise. The prices of such staple commodities as sugar, coffee, rice, oil, and tobacco were shown to be selling at from eighteen to twenty per cent. higher at the company stores than at the cash stores. Sometimes flour could not be obtained and corn bread was substituted for wheat bread. At one store white beans and salt sometimes formed the entire stock. Still others complained of discharge upon refusing to trade at the company stores, closing of the stores against those to whom the company was not indebted when the mines closed down, and a refusal of credit to the sick and disabled.

The checks used were of various kinds.

Usually figures were printed around the edge, each integer representing some denomination of money. When purchases were made these figures were punched out. The number of the check, date of issue, and statement of the conditions under which the check was issued were generally present. In one instance the statement was to the effect that the checks were issued for the aid and protection of the working class, and that the system would be found preferable to currency for small purchases.

The unpopularity of the system called forth the remonstrances of the miners. After the miners at one village had held a mass meeting to condemn it, they were given a direct intimation that they were expected to deal at the company store. Frequently men were discharged because they kept no account at the company store. At another time a coal company gave its men orders on a certain store, and at the end of the month requested the

store to allow five per cent. to get the checks cashed. This the store refused to do and lost the patronage of the company.

In 1878-9 the legislature passed laws regulating the use of scrip. Selling goods for scrip at higher than cash prices was prohibited. The duty of prosecution lay in the hands of the prosecuting attorneys. However, those who suffered were afraid to give the necessary information and consequently no prosecutions occurred. Few or none of the firms which were disobeying the law complied voluntarily.

It cannot be said that the evils of the system as we have shown them were universal. Many of the employers declared that they were exerting no compulsion upon their employes, that wages were being paid monthly according to custom, and that could the men wait until pay-day for their money they would be paid fully in cash. At some places the workmen acknowledged that these statements were true,

but at other places they said that to refuse their custom at the company store resulted in their discharge. The companies did not attempt to pay exclusively in scrip, but as they paid but once a month and sometimes two weeks or more after payment was due the checks were almost necessitated by these long intervals.

An investigating committee was appointed which returned a majority and a minority report. The majority report stated that throughout the central and eastern divisions of the Ohio coal field wages were paid almost wholly in cash, little being heard of scrip. Upon reaching the eastern boundary of the Hocking Valley coal field a different state of affairs existed. Throughout this district checks were in practically universal use, and formed the principal medium of circulation in many localities. Balances beyond the store account were paid in cash, and farmers, hucksters, saloon keepers, and so on,

accepted the checks at a discount of from fifteen to twenty-five per cent.

According to the majority report the men were not compelled to accept the scrip, but did it to secure goods before pay-day. It did not find that the stores upon which the checks were drawn discounted them in any way. Nor were the prices found excessive. The goods sold were evidently of standard quality. Nevertheless the system left such ill effects as extravagance, and tended to keep the men poor and thriftless. As to a fear that many would suffer were the scrip abandoned, the commissioners thought that in no other way could the miners be taught the needed self-denial.

Calling attention to what they considered the only merit of the company stores, namely, that they sold no liquor, the majority report stated that wages should be paid in cash, and that in no way should the employe be coerced

to spend his earnings for the benefit of his employer.

The minority report was radically opposed to the system. Not one word could it say in its favor. It was plainly unjust and out of keeping with good principles, a reproach to the State, and deserving of severest censure. "A canker on the body politic of such obstinate power of endurance that the most stringent measures are necessary to its effective and complete removal."

These investigations failed to find a remedy. In 1885 the Bureau of Labor Statistics attempted to bring complaint to the prosecuting attorneys in four counties. From this nothing resulted. Next the labor commissioner brought the attention of the attorney general of the State to a kind of agreement which some of the miners were signing by which they authorized the employing company to pay their future debts with a certain firm and deduct the same from their wages, the

agreement reading, "for this and each succeeding month." The attorney general advised that if the coal company compelled its employes to sign this agreement complaint should be made to the prosecuting attorney of the county in which it had been done. The people of one village were now urged to bring suit. They pledged their common support in an attempt to secure action. The labor commissioner sent an agent to assist. But when matters came to a point no one could be persuaded to act and the agent wrote that the people had played the traitor with him. Further attempts on the part of the labor bureau to suppress scrip were unsuccessful. It finally came to the conclusion that all that could be expected in the way of assistance from the people who claimed to be the sufferers was a hearty clapping of hands and applause while the bureau made fruitless attempts to better conditions.

Since 1885 less attention has been paid to

the truck system by the State officials. Wages are now paid semi-monthly according to law. Nevertheless the company store still plays an important part in the community. The situation at Nelsonville is typical. Here wages are paid in cash on the tenth and twenty-fifth days of the month. The wages paid on the tenth are for work done during the last half of the preceding month. Those paid on the twenty-fifth are for work done during the first half of the month. In either case the time of payment for each half month's work occurs ten days after the completion of the work. The wages earned during the ten days preceding pay-day are withheld until next pay-day. The company issues a statement for this which the miner may use as he likes. But he may find some difficulty in exchanging it for commodities, however, because those who take it must first be assured that there will be no complications when they wish to get it cashed. For this reason

a physician stated that he never accepted such a statement.

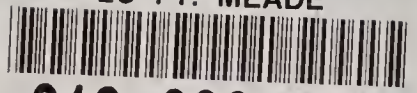
It is difficult to see what the object of this arrangement is. Under it the company is a perpetual debtor to its employes to the amount of ten days' wages. If this amounts to twenty dollars per man, and a company has in its employ five hundred men working steadily, it means that during the first ten days these five hundred men worked they loaned to the company \$10,000 in the form of labor, which will be repaid to them when they finally stop working for the company. They will receive no interest upon it. If each of the five hundred men works steadily for the company for an average of five years it amounts to an appropriation by the company of \$3,000 in interest on this loan, reckoning at the rate of 6 per cent. The twenty dollars owing each of these five hundred men after the first pay-day has passed is only repaid at the expiration of five years.

No doubt the semi-monthly pay-day has in itself been a great benefit. The miner's income is better adjusted to his outgo. He has a smaller amount of money to spend at one time and so is less likely to squander it. It makes him less dependent on the company store, unless his patronage is secured by threats of dismissal, which are infrequent if not altogether absent today. In some cases, however, patronage at the company store is rewarded at the mine by giving the best working places to the best patrons, and the like. Sometimes they are given entry work, which pays better than ordinary work, since entry men get free turns, that is they are given all the cars necessary to haul their coal. Others must wait for their turn at the cars. In a large mine eight or ten men are engaged in entry work and two or three hundred in the rooms. But there are some limitations to the giving of such favors because an entry worker must be very strong physically.

The company stores probably do not receive more than one-half or two-thirds of the patronage that they formerly commanded. Semi-monthly payment, cash stores, and a growing tendency on the part of the people to go by railroad to the larger towns to trade are the chief reasons. And now that the same stockholders control both the mines and the railroads there is some reason why they encourage the people to travel for their supplies.

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